It will be seen that the record and report have to be forwarded to the High Commissioner, and there is no provision, as in s. 275 sub-s. (c) (i) of the Criminal Procedure Code, for the record and the report of the trial being forwarded to the appellate Court. The only possible conclusion is that no appeal to the Supreme Court was contemplated.

In the opinion of the Court, therefore, the preliminary objection is well founded and the Court had no jurisdiction to entertain the appeal.

Appeal dismissed.

Solicitors for accused—*R. C. H. Lim & Co.*

END OF STRAITS SETTLEMENTS OFFICIAL REPORTS.

(TRADE MARKS)

HARRISON, REGISTRAR OF TRADE MARKS.

December 19, 1940.

RE APPLICATION BY LI LONG YU & ORS., trading as CHAN LI CHAI.

[TRADE MARK APPLICATION No. 4733 of 1940]

Trade Marks — application for registration — opposition — mark "calculated to deceive" — refusal of application — Trade Marks Ordinance, 1938, Sec. 23 (1).

An application was made by L.L.Y. and two others trading under the firm name of "Chan Li Chai" for the registration of a mark consisting of a red label upon which appeared certain Chinese characters arranged in two perpendicular columns. The translation of the Chinese characters was given as "Chan Li Chai" (firm name of proprietors) supervised manufactured product, male deer horn 3 whip liquor." Registration was applied for in Class 5 in respect of medicated wines. The applicants disclaimed the right to exclusive use of the Chinese characters with the exception of the Chinese characters meaning "Three whips." The application was opposed by a Company carrying on business as manufacturers of and dealers in Chinese medicated wines who and whose predecessors in business had used a similar mark in respect of Chinese medicated wines manufactured and/or sold by them for upwards of thirty-two years. The principal grounds of opposition were that the use of the name "Chan Li Chai" as part of the mark sought to be registered was calculated to deceive and that the mark was calculated to lead the applicants' goods being passed off as or mistaken for goods manufactured or sold by the opponents. There was no evidence of any user by the applicants of the words or characters "Chan Li Chai" in connection with Chinese medicated wines within the Colony prior to the date of the application.

Held, without deciding whether the words or characters "Chan Li Chai" were distinctive, that the use of the three characters as part of the mark would be likely to deceive or cause confusion; accordingly, under section 23 (1) of the Trade Marks Ordinance, 1938, the application must be refused.

Cases referred to:—

(1) *Cash v. Cash,* 18 R.P.C. 213.

(2) *Dunhill v. Bartlett & Bickley,* 39 R.P.C. 462.

(3) *Pianotist, Co., Ltd. (in the action for registration)* 23 R.P.C. 774.

(4) *Rodgers,* 41 R.P.C. 291.

(5) *Teofani,* 30 R.P.C. 76.

OPPOSITION under Section 27 of the Trade Marks Ordinance.

Demuth for the Applicants.

Mundell and *Mallal* for the Opponents.

Harrison, Registrar of Trade Marks.—This is an Opposition lodged by Messrs. Tai Thong Wine Traders Limited against the Registration of a Trade Mark in the name of Li Long Yu, Chan Shok Ping and Li Sik Yu, trading as Chan Li Chai. The mark consists of a red label, upon which within a black border are certain Chinese characters also in black, arranged in two perpendicular columns and the application is numbered 4733. The Transliteration of the Chinese characters is given as "Chan Li Chai, Kum Chai, Lok Yong, Sum Pin Chow" and the Translation as "Chan Li Chai (firm name of Proprietors) Supervised manufactured product, male deer horn 3 whip liquor." Registration has been applied for in Class 5 in respect of Medicated Wines, and the mark has been duly advertised in the Government Gazette. The Applicants disclaim the right to the exclusive use of the Chinese characters with the exception of those characters meaning "Three Whips."

The Opponents ask that the application be refused on the grounds that:—

(a) they and their predecessors in business have used for upwards of thirty-two years the words Chan Li Chai, and the Chinese characters equivalent to Chan Li Chai in connection with Chinese Medicated Wines manufactured and/or sold by them, and that the name denotes and has long denoted both to the Trade and the Public goods manufactured and sold by them and their Predecessors in business, and that it distinguishes and has long distinguished such goods from similar goods of other Manufacturers, Traders and Dealers;

(b) that the use of the Name "Chan Li Chai" as part of the mark is calculated to deceive, and

(c) that the mark is calculated to deceive and to lead to the Applicants goods being passed off as or mistaken for goods manufactured or sold by the Opponents.

At the hearing before the Registrar, the Applicants were represented by Mr. Demuth, whilst the Opponents were represented by Mr. Mundell and Mr. Mallal.

Evidence has been lodged and submissions have been made at a hearing which took place at the Trade Marks Registry on the 16th December, 1940.

At the commencement of the hearing an application was made by Mr. Mundell on behalf of the Opponents to put before the Registrar further evidence. It was pointed out by him that under Rule 47 of the Trade Marks Rules, 1938, "in any proceedings before the Registrar, he may at any time, if he thinks fit, give leave to either the Applicant or the Opponent to file any evidence upon such terms as to costs or otherwise as he may think fit." In my Judgement this rule must be read in conjunction with Rule 49, which states "upon completion of the evidence the Registrar shall give Notice to the Parties of a date when he will hear the arguments in the case. Such appointment shall be for a date at least fourteen days after the date of the Notice, unless the Parties consent to a shorter Notice." I do not therefore consider that Rule 47 is meant to relate to evidence put in at the hearing. I therefore offered to accept such further evidence on condition that the hearing shall be postponed for a period agreed upon by both parties. Objection to this was taken by Counsel for the Applicants, who wished it to be noted that his objection was taken on the grounds that he wished the hearing to be before the present Registrar.

I therefore, holding that Counsel for the Applicants should be given time and opportunity to answer any additional evidence, and bearing in mind the provisions of Section 27 (7) of the Trade Marks Ordinance, 1938, which provides for the admission of further evidence by the Court, refuse to admit the additional evidence.

From the evidence of the Opponents it is clear that for a number of years, they have in fact used, in conjunction with other matter, the words Chan Li Chai, and the Chinese characters 陳李濟 being the equivalent of Chan Li Chai. These words and characters appear on the labels affixed to the bottles of wine sold by the Opponents, and on the paper or wrapper in which the bottles are sold appear very plainly the Chinese characters. These characters are the most conspicuous part of the "get up," and immediately attract attention.

The Opponents claim that the words Chan Li Chai and the characters 陳李濟 are distinctive of the goods manufactured and sold by them. To this I shall refer later.

There is also shown to me a copy of the Straits Settlements Government Gazette, dated the 6th day of March, 1936, and on page 603 of this Gazette there is an advertisement showing a Trade Mark on which the characters 陳李濟 (Chan Li Chai) are shown and below the representation of the mark appears a Notice to the effect that the mark is the property of Tai Thong Wine Traders Limited, and is used by them in respect of Medicated Wines. Further evidence is lodged in connection with the fact that the Opponents' Predecessors in business did in fact use the words and characters Chan Li Chai in the territory of Hong Kong for some years prior to 1935, and that they did register there Trade Marks upon which the words or characters appear, and that these marks had been duly assigned to the Opponents in the Registry of Trade Marks in Hong Kong.

Evidence is produced to the effect that there has been a great deal of money spent by the Opponents in advertising their medicated wine, in the form of posters, books, hand-bills, almanacs and by means of publicity in the Press. In nearly all of these advertisements the Chinese characters appear in an unmistakable fashion. So far as the evidence of User by the Opponents is concerned, I am shown two Deeds of Assignment, one dated the 23rd day of December, 1933 and the other dated 2nd day of September, 1935. These instruments show that certain Trade Marks, some bearing the words "Chan Li Chai" anl others the Chinese characters 陳李濟 were assigned, firstly from Leung Man Chor, Leung Ping Shan, Leung Chung Kau and Chan Sin Thiek to Lo Soon Kee and secondly from the said Lo Koon See to Tai Thong Wine Traders Limited who are the Opponents in the present action.

The Applicants deny that there was in fact a transfer of the property, alleging that by reason of an act of bankruptcy, committed prior to the completion of the Deed, the Goodwill of the business was not in fact assigned. I see no reason to doubt the authenticity of the Transaction, but even if there had been no transfer from Predecessors in business, there is sufficient evidence to show that the Opponents have in fact used within the territory of the Straits Settlements the words or characters "Chan Li Chai" in connection with their medicated wine since 1935. This evidence cannot be disregarded as it is given only by Chay Sing Hai,

the Managing Director of the Opponents, but also by three officers of the Retail Liquor Dealers Association in Singapore.

On behalf of the Applicants for Registration, evidence is lodged to the effect that the firm of Chan Li Chai has been trading in China for about three hundred years, and have been manufacturing and vending certain medicines. The name is derived from the names of the two original Partners "Chan Thai Chuen and Li Sing Chor," to which has been added the character "Chai meaning combination, remedy or relief." It is stated that the firm commenced to manufacture Medicated Wines in the year 1928, but owing to the bombing of Canton in the year 1939 no further production or selling of the wines took place. It was in this year—1939—that the "Singapore firm," which I presume is a branch of the Chinese firm of Chan Li Chai, was established. I have examined the evidence lodged in support of the applicants' case and I can find therein no evidence of any User by them of the words or characters Chan Li Chai upon or in connection with Medicated Wines within the territory of the Straits Settlements prior to the date of the application to register, nor does there appear to have been any advertising of these products by the applicants.

An important point put to me by Counsel for the applicants is that, having traded or carried on business under the name of Chan Li Chai for a very long period and having during that period used the name in connection with Medicated products, they should not at this date be restrained from using it. Indeed, in the grounds supporting the application, it is alleged that the Opponents are guilty of dishonesty, and that if the Opponents have been using the name "Chan Li Chai" on the labels of their Medicated Wines, they have done so in order to pass them off or that they should be mistaken for Medicated Wines, manufactured by the Applicants. This suggestion to my mind is rather discounted by the fact that in the next paragraph the applicants deny that the registration by them of the mark which is the subject of the present action, and which includes the Chinese characters 陳李濟 (Chan Li Chai), is calculated to deceive or to lead their goods being passed off as or mistaken for the goods of the Opponent. One reason put forward for this denial is that the two wines differ in price. On this point I wish to say that difference in price of any similar articles is not sufficient to exclude the possibility of confusion in the mind of a customer. It is far more likely that an ordinary person, seeing two similar articles exposed for sale, each bearing a similar trade mark, on learning of the difference in price, would think that the goods were of two different qualities—not that they were the product of two different Manufacturers. I mention the case of *Dunhill v. Bartlett & Bickley,*[2] where evidence was given by a number of witnesses to the effect that when they saw exposed for sale two pipes, one bearing a white spot and another a red spot, they thought that the two pipes were of different quality, put upon the market by the same manufacturer.

Many submissions were made to me upon the right of each party to use the name, Chan Li Chai in connection with their Medicated Wines. Section 59 (a) of the Ordinance was referred to and certain Judgements are brought to my notice, chief among which are those given in *Cash v. Cash,*[1] *Teofani,*[5] and *Rodgers,*[4] but I do not think I am called upon to decide this question of "Use." The only question which I have to decide is whether certain matter should be registered. The question whether the use of a name by one person infringes the rights of another, is one for the Courts. In my Judgement the only question to be decided in the present case is this—whether the registration of the mark in question or of part of this mark would be "likely to cause confusion, or be deceptive."

The question also as to whether the words or characters Chan Li Chai are or are not distinctive of the goods of the Opponents is not one upon which I am now called to give a decision.

I find from the evidence placed before me, that for many years there has been in China, two distinct firms manufacturing and selling Medicated preparations under the trading style of Chan Li Chai, and that they have been using the names Chan Li Chai or the characters 陳李濟 upon or in connection with these products. Since the year 1935, without doubt, and most probably since 1912 the Opponents or their predecessors in business have been using the name and/or the characters upon or in connection with Medicated Wines, sold in the Straits Settlements, and during that time they have expended fairly large sums in advertising their product. I can find in the evidence put before me, no user in this Colony of the name or characters in question upon Medicated Wines by the Applicants for registration.

Section 23 (1) of the Trade Marks Ordinance, 1938, states:—

> It shall not be lawful to register as a trade mark or part of a trade mark any matter, the use of which would by reason of its being likely to deceive or cause confusion etc., etc.

I take first the question of whether the characters are indeed part of a mark, having in mind the fact that the applicants have disclaimed the exclusive right to the use of these characters. It is I think good law to say that any such disclaimer does not give to the applicant the right to sue for infringement on that part of the mark alone, but it does not take from him any other rights. I refer to *Kerly* (6th Edition) page 445, wherein it is stated "if there is any disclaimer of part of the registered mark, the registered proprietor has no title to sue in respect of an alleged infringement constituted by the adoption of such part of the mark for the disclaimer is an indication to all the world that he has no monopoly, by reason of the registration of the use of that part, *at all events by itself.*" On page 123 of the Law of Trade Marks (*H. K. Turner*), it is stated "An action for passing off can be brought in respect of a part of a registered trade mark which has been disclaimed." I must therefore come to the conclusion that in the present case the characters are "a part of the mark." I deal now with the matter of confusion. I do not think that I can differentiate in any way between the use of the characters 陳李濟 or of the words Chan Li Chai, which is the phonetic rendering of these characters. In any event the Opponents have used on their products both the characters and the words.

The Registrar's duties are set forth very clearly by Parker, J. in the action for Registration by the *Pianotist Co., Ltd.*,[3]. You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion—that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods—then you may refuse the registration, or rather you must refuse the registration in that case. There can be, I think, no doubt that the use of these characters by the Opponents and the Applicants, who are separate and distinct persons or firms, or the use by both of them of the words Chan Li Chai upon or in connection with Medicated Wine would be likely to deceive or to cause confusion.

I therefore, having in mind the provisions of Section 23 (1) of the Trade Marks Ordinance and by virtue of the discretionary powers conferred upon me by this Ordinance decide that the application No. 4733 should not be registered, and that it is hereby refused.

Application for registration refused.

Solicitors for Applicants—*Shelley-Thompson & Demuth.*

Solicitors for Opponents—*Mallal & Namazie.*